

Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

July 14, 2014

Alan Boehms, Field Office Director Office of Surface Mining 1999 Broadway, Suite 3320 Denver, CO 80202-3050

Subject: Phase II & III Bond Release, PacifiCorp, Des Bee Dove Mine, C/015/0017, Task ID

#4580

Dear Mr. Boehms:

Enclosed is the Division's Decision Document for the Phase II & III bond release of PacifiCorp's Des Bee Dove Mine. PacifiCorp has requested complete bond release. The Division finds that PacifiCorp has met the regulatory requirements for Phase II & III bond release and recommends approval. We request the Office of Surface Mining's concurrence with this determination. A copy of the Phase II & III bond release inspection report is included in this package along with documentation of reclamation events. Please provide your determination at your earliest convenience.

If you have any questions or need further information, please feel free to call me at (801) 538-5350 or Daron Haddock at (801) 538-5325.

Sincerely.

Steve Christensen Permit Supervisor

SKC/ss Enclosure

cc:

Flynn Dickinson, OSM Dan McKinnon, OSM Howard Strand, OSM

Kenneth Fleck, Energy West Mining Company

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Phase II and III Bond Release PacifiCorp Des Bee Dove Mine C/015/0017 Emery County, Utah

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BLM Concurrence

DECISION DOCUMENT

Phase II and III Bond Release
PacifiCorp
Des Bee Dove Mine
C/015/0017
Emery County, Utah

ACTION

Phase II and III bond release is requested for the Des Bee Dove Mine. The Permittee has applied for full bond release to its only posted surety bond. The release would total \$511,000.

BACKGROUND

The Des Bee Dove Mine consists of a long history of mining operation which began in the latter part of the 19th century. The LDS Church began mining operations in the canyon in 1938. In 1947, the LDS Church purchased other mining interests in the canyon and began a church welfare project supplying coal to the needy as well as to their own church houses. The LDS Church continued operations until 1972 when the mining complex was sold to Utah Power & Light Company.

In 1987, PacifiCorp (predecessor to Utah Power & Light) temporarily idled the mine because of the lack of reserves. PacifiCorp attempted to sell the mining complex until 1997 when it submitted a Notice of Intent to Reclaim to the Utah Division of Oil, Gas and Mining. In 1998, PacifiCorp received Phase III Bond Release for the haul road leading to the mine site. Once received, the road was transferred to Emery County and accepted into the Emery County roads system.

RECLAMATION HISTORY

Incremental reclamation activities of the Des Bee Dove Mine began as early as November 1999 with the Pumphouse area located at the bottom of the main mine site. A backhoe was utilized to remove facilities and regrade the area. The original area contained 1.62 acres. Phase I Bond Release was granted for this site in February 2007. Phase III Bond Release was granted for this site in April 2007.

The next site reclaimed consisted of the two remote portal breakout sites in Maple Gulch Canyon. One portal was broken out from inside the Bee Hive Mine, and one portal was broken out from the Deseret Mine. Total disturbance for each was approximately .01 acres. Reclamation activities utilized hand tools and helicopter transport of materials. Phase I Bond Release for these sites were approved in September 2009.

In 2002, reclamation activities were accomplished on the upper Little Dove mine (west side of the canyon) and Bee Hive mine (east side of the canyon). Trackhoe and bulldozer was used to backfill portals and highwalls and completely regrade the site. Total disturbance reclaimed was approximately 4.6 acres. Phase I Bond Release was approved in February 2007.

Immediately following the reclamation of the upper mine area, the lower mine or Deseret Mine commenced. Activities began early in 2003 and were completed in June of that same year. Various large earth-moving equipment were used to complete reclamation activities. A major drainage channel was constructed and all portals and slopes were backfilled and regarded and roads removed. A trail was built through the site which allows cattlemen and recreationists to pass through to access the areas of the southern end of East Mountain. Total disturbance reclaimed was approximately 22.4 acres. Phase I Bond Release for this area was approved in February 2007. Phase III Bond Release was approved for .9 acres near the Pumphouse area in April 2007.

The only remaining area to reclaim was the sediment pond and access road. Reclamation of this area was started in 2005 and completed in January 2006. The pond, dam and associated appurtenances were removed, a drainage through the site was constructed, all slopes regarded, and the access road removed and regarded. Total disturbance reclaimed was approximately 13.9 acres. Phase I Bond Release was approved in September 2009.

All reclaimed sites were fertilized, mulched and seeded contemporaneously with the backfilling and regrading activities. The period of extended responsibility requirement (10 years) has been met and the vegetation parameters identified in R645-3-1-356.200 has exceeded the approved success standard during the growing seasons of the last two years of this responsibility period. Vegetation sampling for bond release for the mine site and sediment pond area was conducted during the fall of 2012 and 2013.

BONDING HISTORY

New Bond Submitted for PacifiCorp 12/90; Ridered "termination" language 9/91; Replaced 9/1/94. (\$1,553,638 - year 2000 dollars bond est.) Started reclamation in fall of 1999. St. Paul Fire & Marine Ins. Co. #400JN6139 still needs to be released. Phase I bond release (release of \$667,994) on 2/13/07. Phase III Bond Release on 4/05/07. The remaining bond amount of \$1,169,718 is sufficient to ensure reclamation success through Phase III. Authorized a bond reduction in the amount of \$658,718. New amount is \$511,000 (5/20/10).

CHRONOLOGY FOR PHASE III BOND RELEASE

April 22, 2014	PacifiCorp submits the Phase II and III bond release application for the Des Bee Dove Mine to the Division
May 19, 2014	PacifiCorp sends letters to local governments, planning agencies, surface owners, and subsurface owners, and stake holders notifying

them of the proposed bond release:

Emery County Commission, Commissioner Jeff Horrocks
Emery County Planning and Zoning, Mike McCandless
Emery County Public Lands, Ray Peterson
State Institutional Trust Land Administration, John Blake
Utah Division of Water Rights, Mark Stilson
Division of State History, Brad Westwood
Bureau of Land Management, Roger Bankert
Office of Surface Mining, Alan Boehms
United States Forest Service, Darren Olsen

May 20, 27 and June 3, 10, 2014	Phase II and III Bond Release Published in the Emery County Progress
May 13, 2014	The Division sends letters of invitation for the bond release inspection to be held May 28, 2014
May 29, 2014	Phase II and III bond release inspection. In attendance: PacifiCorp - Kenneth Fleck, Dennis Oakley UDOGM - Daron Haddock, James Owen, Priscilla Burton, Steve Christensen OSM - Daniel Mackinnon
July 2, 2014	Division receives Forest Service Concurrence
July 10, 2014	Public comment period closes, The Division receives no comments
July 7, 2014	Division receives BLM Concurrence

SUMMARY OF FINDINGS

The Phase II and III bond release was advertised for four consecutive weeks. No comments were received during the public comment period. A bond release inspection was conducted on May 28, 2014. No problems were identified. The technical analysis for Phase II & III the bond release is attached.

PHASE III BOND RELEASE RECOMMENDATION

The Permittee has demonstrated the establishment of vegetation at the Des Bee Dove Mine. The recommendation is that the Division approve Phase II and III bond release for the area. The Permittee has applied for a full bond release in the amount of \$511,000.



State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA Division Director

Technical Analysis and Findings Utah Coal Regulatory Program

PID:

C0150017

TaskID:

4580

Mine Name:

DES BEE DOVE MINE

Title:

PHASE II AND III BOND RELEASE

Summary

Reclamation of the site was the subject of a presentation to the 2006 Billings Land Reclamation Symposium made by Dennis Oakley and Charles Semborski. http://www.billingslandreclamationsymposium.org

The reclamation received a Division of Oil Gas & Mining Earth Day Award for outstanding reclamation in 2006.

The site was nominated by John Baza for the 2008 OSM Surface Coal Mining Reclamation Award.

Deficiencies Details:

None

pburton

General Contents

Right of Entry

Analysis:

Surface ownership of the site is shown on plate that accompanies the bond release application. The mine site was situated on land owned by PacifiCorp and the USFS. The sediment pond site is on land owned by SITLA.

pburton

Reclamation Plan

Approximate Original Contour Restoration

Analysis:

The reclaimed sites have adequately achieved approximate original contour (AOC). The reclamation is adequate to achieve the stability requirements of R645-301-553.530, and meet the approximate original contour criteria of R645-301-553.520.

All backfilling, soil stabilization, compacting and grading, are as expected according to the MRP's anticipated final surface

iowen

Backfill and Grading General

Analysis:

The material used to back-fill the disturbed area was graded to a slope which is compatible with the approved post-mining land use and which provides adequate drainage and long-term stability. There were not highwall remnants that pose a hazard to the public health and safety or to the environment.

jowen

Backfill and Grading General

Analysis:

Approximately 85,000 tons of coal mine waste is buried against the cut of the Little Dove pad, the Deseret pad, the bathouse pad and in the drainage as shown in Appendix E of the Phase I bond release application dated 4/27/2006. The cover material was taken from the outslopes as shown on Plate 200-1 in App XV of the MRP. The fill is stable. There is no erosion. The vegetation is vigorous.

pburton

Mine Openings

Analysis:

Mine portals were permanently reclaimed. Permanent closure measures were designed to prevent access to the mine workings by people, livestock, fish and wildlife, machinery and to keep acid or other toxic drainage from entering ground or surface waters.

The portals were permanently closed to all underground mining activities, and were sealed and back-filled as required by the Division and consistent with the requirements of 30 CFR Section 75.1711.

jowen

Topsoil and Subsoil

Analysis:

Reclamation took place in three phases. The reclamation plans are described in MRP Appendix XIV: Phase I, Little Dove and Bee Hive portals and pads; Appendix XV: Phase II, the Deseret portal and pad, tipple, bathhouse pad, drainage, and access road; and Appendix XVI: Phase III, the sediment pond and access road. Phase I bond release was received in 2005. (Reviewed as Tasks 2411 and 2513). Phase III bond release of the 2.52 acres associated with the industrial post mining land use (gas well development) was approved on April 5, 2007.

Native soils in the Des Bee Dove area are described as Typic Ustochrepts. Phase I and Phase II elevations range from 7,800 ft. to 8,000 ft. The reclaimed slopes were overall 2h:1v. In 2000, prior to reclamation, 10 trenches were dug to sample fill slopes and pad area for use as cover material and substitute topsoil. The samples were composited over many feet to give an average value for the parameters of interest. The soil texture was predominantly loam and sandy loam. Soils were consistently high in carbonates, from 19 - 36%. (Division Guidelines recommend 15 - 30% carbonates as fair and greater than 30% as poor suitability for surface cover material.) The median value for phosphorus in the sampled subsoil was 0.01 ppm. The subsoil was so deficient in phosphorus that the site was treated with Super Phosphate at 75 lbs/ac. Certified weed free alfalfa hay was applied at 2,000 lbs/ac and incorporated along with the phosphate with pocking of the surface. The seed mix for Phases I and II were the same and the mix is found on pg. 6 of Section 300 in App. XIV and App XV. The seed mix was hydroseeded with 1500 lbs/ac wood fiber mulch + tackifier in July 2001 (Phase I) and July 2003 (Phase II). In 2014, ten years after final reclamation of Phase II and 13 years after reclamation of Phase I areas, there is vigorous, desirable plant growth. Grasses and shrubs dominate the site. This time of year, the Rocky Mountain penstemon is in full bloom. All the channels are well vegetated. The surface roughening is still in place controlling erosion.

Phase III reclamation of the sediment pond, and access road, began in the December 2005 and was seeded in January 2006. Phase III reclamation was at an elevation of 6,750 ft. on clay loam soils. Inspection reports # 808, #809, #875, and #876 provide detail on the progress of reclamation. Hay in the amount of 1 T/ac was worked into the pond area and halfway

down the access road. No fertilizer was applied to this site. The site was seeded by hand. Hydromulch (1T/ac) was applied with tackifier (500 lbs/ac) over the seeded area. The seed mix for Phase III differed from the earlier phases of reclamation and is found in App. XVI, Section 300 p. 3.

pburton

Road System Reclamation

Analysis:

Roads were reclaimed in accordance with the approved reclamation plan, and was done as soon as practicable after it was no longer needed for mining and reclamation operations. The reclamation included: closing the road to traffic; removing all bridges and culverts, removing of road-surfacing materials, reshaping cut and fill slopes to complement the natural drainage pattern of the surrounding terrain, scarifying the roadbed, replacing topsoil and revegetation of disturbed surfaces.

iowen

Hydrological Information Reclamation Plan

Analysis:

Approximately 110,000 tons of mine waste was removed from the ephemeral channel and the remaining surface was tested to a depth of four feet for acid/toxic parameters prior to construction of the drainageway. Those analyses were provided in Attachment E of the Phase I bond release application dated 4/27/2006. The drainageway is stable. Plant growth is vigorous.

pburton

Hydrological Information Reclamation Plan

Analysis:

On May 28th, 2014, the Division of Oil, Gas and Mining (the Division) conducted a field inspection to determine whether the reclamation work performed on the Des Bee Dove mine site met the requirements for Phase II and III bond release.

During the inspection, all drainage channels were inspected throughout the reclaimed area. All temporary drainage structures had been removed. All of the reclaimed drainage channels were stable. No signs of erosion, cutting or instability were noted in any of the reclaimed channels. Several ephemeral channels are located on steep gradients. The rip-rap armoring and established vegetation on these channels has been very effective. The reclaimed drainage associated with the reclaimed sediment pond was also inspected. Again, no signs of erosion, cutting or instability were noted in any segment of the channel.

The natural drainage patterns of the site have been restored. All of the cut and fill slopes have been stabilized and complement the drainage pattern of the surrounding terrain.

The reclamation work performed by the Permittee meets the requirements of R645-301-760.

schriste

Revegetation General Requirements

Analysis:

pburton

Revegetation Standards for Success

Analysis:

On April 22, 2014 the Division received an application for phase II and III bond release at the Des Bee Dove mine. This memo will include a review of the vegetation information for the reclaimed areas which encompass approximately 40.9 acres. The disturbed area acreages for the Phase 2 Reclamation and Pumphouse areas listed in the Disturbed Area Reconciliation Table should be 23.3 and 1.6 in order to coincide with the acreage figures in the corresponding footnotes 1 and 2. These footnotes also need to include a justification for phase three bond release during years 4 and 8 of the ten year

liability period. The sediment pond area should include a footnote describing the justification for phase III bond release 7 years after reclamation. The permittee revised the table and footnotes in an emailed pdf on Wednesday, June 25th.

Reclamation of the main mine site was completed in 2003 and the last two consecutive years of vegetation sampling during the 10 year liability period were done in 2012 and 2013. The main mine area was divided into 8 areas for representative sampling, they included: The Access Trail, East Slope, Bathhouse Slope, Deseret Mine Area, Switchbacks, Substation area Beehive/Little Dove Area and Pinyon-Juniper Reference Area. In all instances, (species composition, woody species density, percent cover, diversity and production), the data either met or exceeded that of the reference area. This was also true for the sampling results in 2013. Phase III bond release for the main mine area is recommended.

Deficiencies Details:

jhelfric

Bonding Form of Bond

Analysis:

PacifiCorp currently maintains a \$511,000 surety bond for the Des Bee Dove mine. A complete release of this surety is being requested for the release of the site as part of Phase III release. Based on meeting the requirements of reclamation, the release should be granted.

jowen

RECEIVED !

JUN 1 1 2014 DIV OF OIL, GAS & MINING

AFFIDAVIT OF PUBLICATION

STATE OF UTAH)

SS.

County of Emery,)

I, Richard Shaw, on oath, say that I am the Publisher of the Emery County Progress, a weekly newspaper of general circulation, published at Castle Dale, State of Utah and County aforesaid, and that a certain notice, a true copy of which is hereto attached, was published in the full issue of such newspaper for 4 (Four) consecutive issues, and on the Utah legals.com webwsite: publication was on the 20th day of May, 2014, and that the last publication of such notice was in the issue of such newspaper dated the 10th day of June, 2014.

Richard Shaw - Publisher

Subscribed and sworn to before me this 10th day of June 2014.

Notary Public My commission expires January 10, 2015 Residing at Price, Utah

Zinda Idayn

APPLICATION FOR PHASE II AND III
BOND RELEASE
DES BEE DOVE MINE
C/015/0017
ENERGY WEST MINING COMPANY
P.O. BOX 310
HUNTINGTON, UTAH 84528

PacifiCorp, by and through its wholly-owned subsidiary, Energy West Mining Company ("Energy West") as mine operator, has filed with the Division of Oil, Gas and Mining an application for Phase II and III Bond Release for 40.9 acres of the Des Bee Dove mine site.

All areas for bond inlease have met the regulations of the R645 Utah Coal Rules in regards to the vegetation standards for Phase if and responsibility period for III Bond Release (refer to R645-301-860-300). The online mine site; remote portatis area, and the sediment pond and access road area is proposed for release. The locations of the areas are as follows:

Mine Site - Reclamation completed 2003 NW/ASW/4, Section 25, T17S, R7E, SLB&M E/SBW/4NE/4, W//SE/4NE/4, NE/4SE/4, Section 26, T17S, R7E, SLB&M

Remote Portals — Reclamation completed 2000
15W/45W/4, Section 13, T17S, R7E, SLB&M
15W/45E/4, Section 14, T17S, R7E, SLB&M
Sediment Pond and Accass Boad — Reclamation completed 2006
15E/MR/4, Section 35, T17S, R7E, SLB&M
1NW/4NW/4, Section 36, T17S, R7E, SLB&M

Incremental reciamation of the noted areas above began in 1999. Reclamation of the sedimentation pand was completed in 2008.

Currently, a surely bond is filed with the Division of Oil, Gas and Mining In the amount of Sof 1, 000,00 and is payable to the State of Utah, Division of Oil, Gas and Mining (DDGM), and the Office of Surface Mining Reclamation and Enforcement (OSM). A Renewed mining permit was issued by the State and became effective on August 29, 2010

A copy of the Phase II and III application may be examined at the office of the Division of Oil, Gas and Mining, 1594 West North Temple. Suite 1210, Salt Lake City, Utah 84114-5801 and also at the Recorders Office located in the Emery County Courthouse in Castle Pale, Utah, Written comments, objections, or requirests for an informal confidence of the Pale III.



State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER

Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA

Division Director

Inspection Report

Permit Number:

C0150017

Inspection Type: Inspection Date: BOND RELEASE Wednesday, May 28, 2014

Start Date/Time: End Date/Time:

5/28/2014 10:30:00 AM 6/16/2014 4:00:00 PM

Last Inspection:

Thursday, May 01, 2014

Inspector: Steve Christensen,

Weather: 0-5 mph winds. Sunny. Temp.- 80 degrees F.

InspectionID Report Number: 3864

Accepted by:

Representatives Present During the Inspection

OGM Priscilla Burton
Company Dennis Oakley
OGM Steve Christensen

OGM Daron Haddock
OGM James Owen

OGM James Owen
Company Kenneth Fleck

Federal Daniel MacKinnon

Permitee: PACIFICORP

Operator: ENERGY WEST MINING CO

Site: **DES BEE DOVE MINE**

Address: PO BOX 310, HUNTINGTON UT 84528

County: EMERY

Permit Type: PERMANENT COAL PROGRAM

Permit Status: RECLAIMED

133.90 Total Permitted

Total Disturbed

Phase I

Phase II

Phase III

Current Acreages

40,90

136.58

95.70

95.70

Mineral Ownership

Types of Operations

Federal
State
County

✓ Underground
Surface
Loadout

✓ Fee
Other

Processing
Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

On May 28th, 2014, the Division of Oil, Gas and Mining (the Division) conducted a bond release inspection on the Des Bee Dove Mine site. PacifiCorp (the Permittee) has applied for Phase II and III bond release on the remainder of the Des Bee Dove Mine site. A second site visit was made by the Division soil scientist, Priscilla Burton, on June 16, 2014.

The reclamation work and resulting vegetative and stabilization of the site was excellent. Evidence of erosion, cutting, instability or off-site impacts were not noted during the field inspection.

Inspector's Signature

Steve Christensen,

Inspector ID Number: 54

Date

Thursday, June 14

Permit Number: C0150017 Inspection Type: BOND RELEASE

Inspection Date: Wednesday, May 28, 2014

Page 2 of 7

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

- 1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 b. For PARTIAL inspections check only the elements evaluated.
- 2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
- 3 Reference any narratives written in conjunction with this inspection at the appropriate performace standard listed below.
- 4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

		Evaluated	Not Applicable	Comment	Enforcement
1.	Permits, Change, Transfer, Renewal, Sale	~		~	
2.	Signs and Markers	V			
3.	Topsoil	Y		V	
4.a	Hydrologic Balance: Diversions	~		~	
4.b	Hydrologic Balance: Sediment Ponds and Impoundments	~		V	
4.c	Hydrologic Balance: Other Sediment Control Measures				
4.d	Hydrologic Balance: Water Monitoring				
4.e	Hydrologic Balance: Effluent Limitations				
5.	Explosives		V		
6.	Disposal of Excess Spoil, Fills, Benches	V		Y	
7.	Coal Mine Waste, Refuse Piles, Impoundments	V		V	
8.	Noncoal Waste	V		V	
9.	Protection of Fish, Wildlife and Related Environmental Issues	Y		V	
10.	Slides and Other Damage	~		V	
11.	Contemporaneous Reclamation		Ÿ		
12.	Backfilling And Grading	7		V	
13.	Revegetation	~		V	
14.	Subsidence Control		V		
15.	Cessation of Operations				
15.a Roads: Construction, Maintenance, Surfacing			~		
16 b	Roads: Drainage Controls		~		
17.	Other Transportation Facilities		7		
18.	Support Facilities, Utility Installations		V		
19.	AVS Check				
20.	Air Quality Permit		7		
21.	Bonding and Insurance	~		v	
22.	Other	V		✓.	

Permit Number: C0150017 Inspection Type: BOND RELEASE

Inspection Date: Wednesday, May 28, 2014

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1. Permits, Change, Transfer, Renewal, Sale

Reclamation took place in three phases. The reclamation plans are described in MRP Appendix XIV: Phase I, Little Dove and Bee Hive portals and pads; Appendix XV: Phase II, the Deseret portal and pad, tipple, bathhouse pad, drainage, and access road; and Appendix XVI: Phase III, the sediment pond and access road. Phase I bond release was received in 2005. (Reviewed as Tasks 2411 and 2513). Phase III bond release of the 2.52 acres associated with the industrial post mining land use (gas well development) was approved on April 5, 2007.

Reclamation of the site was the subject of a presentation to the 2006 Billings Land Reclamatino Symposium made by Dennis Oakley and Charles Semborski. http://www.billingslandreclamationsymposium.org

The reclamation received a Division of Oil Gas & Mining Earth Day Award for outstanding reclamation in 2006.

The site was nominated by John Baza for the 2008 OSM Surface Coal Mining Reclamation Award.

Permit Number: C0150017
Inspection Type: BOND RELEASE

Inspection Date: Wednesday, May 28, 2014

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3. Topsoil

Native soils in the Des Bee Dove area are described as Typic Ustochrepts. Phase I and Phase II elevations range from 7,800 ft. to 8,000 ft. The reclaimed slopes were overall 2h:1v. In 2000, prior to reclamation, 10 trenches were dug to sample fill slopes and pad area for use as cover material and substitute topsoil. The samples were composited over many feet to give an average value for the parameters of interest. The soil texture was predominantly loam and sandy loam. Soils were consistently high in carbonates, from 19 - 36%. (Division Guidelines recommend 15 - 30% carbonates as fair and greater than 30% as poor suitability for surface cover material.) The median value for phosphorus in the sampled subsoil was 0.01 ppm. The subsoil was so deficient in phosphorus that the site was treated with Super Phosphate at 75 lbs/ac. Certified weed free alfalfa hay was applied at 2,000 lbs/ac and incorporated along with the phosphate with pocking of the surface. The seed mix for Phases I and II were the same and the mix is found on pg. 6 of Section 300 in App. XIV and App XV. The seed mix was hydroseeded with 1500 lbs/ac wood fiber mulch + tackifier in July 2001 (Phase I) and July 2003 (Phase II). In 2014, ten years after final reclamation of Phase II and 13 years after reclamation of Phase I areas, there is vigorous, desirable plant growth. Grasses and shrubs dominate the site. This time of year, the Rocky Mountain penstemon is in full bloom. All the channels are well vegetated. The surface roughening is still in place controlling erosion.

Phase III reclamation of the sediment pond, and access road, began in the December 2005 and was seeded in January 2006. Phase III reclamation was at an elevation of 6,750 ft. on clay loam soils. Inspection reports # 808, #809, #875, and #876 provide detail on the progress of reclamation. Hay in the amount of 1 T/ac was worked into the pond area and halfway down the access road. No fertilizer was applied to this site. The site was seeded by hand. Hydromulch (1T/ac) was applied with tackifier (500 lbs/ac) over the seeded area. The seed mix for Phase III differed from the earlier phases of reclamation and is found in App. XVI, Section 300 p. 3.

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Permit Number: C0150017
Inspection Type: BOND RELEASE

Inspection Date: Wednesday, May 28, 2014

4.a Hydrologic Balance: Diversions

On May 28th, 2014, the Division of Oil, Gas and Mining (the Division) conducted a field inspection to determine whether the reclamation work performed on the Des Bee Dove mine site met the requirements for Phase II and III bond release.

During the inspection, all drainage channels were inspected throughout the reclaimed area. All temporary drainage structures had been removed. All of the reclaimed drainage channels were stable. No signs of erosion, cutting or instability were noted in any of the reclaimed channels. Several ephemeral channels are located on steep gradients. The rip-rap armoring and established vegetation on these channels has been very effective. The reclaimed drainage associated with the reclaimed sediment pond was also inspected. Again, no signs of erosion, cutting or instability were noted in any segment of the channel.

The natural drainage patterns of the site have been restored. All of the cut and fill slopes have been stabilized and complement the drainage pattern of the surrounding terrain.

The reclamation work performed by the Permittee meets the requirements of R645-301-760.

During the inspection, all drainage channels were inspected throughout the reclaimed area. All temporary drainage structures had been removed. All of the reclaimed drainage channels were stable. No signs of erosion, cutting or instability were noted in any of the reclaimed channels. Several ephemeral channels are located on steep gradients. The rip-rap armoring and established vegetation on these channels has been very effective. The reclaimed drainage associated with the reclaimed sediment pond was also inspected. Again, no signs of erosion, cutting or instability were noted in any segment of the channel.

The reclamation work performed by the Permittee meets the requirements of R645-301-760.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

Map 700-1 illustrates the channel reclamation. At the interface of bedrock in the location of the stream channel a spring was encountered during reclamation in 2005, and water ponded to a depth of about 4 inches over an area of approximately 25 ft. In June 2014 during the Phase III bond release inspection, the pond area and channel was salt encrusted, but dry.

6. Disposal of Excess Spoil, Fills, Benches

Approximately 110,000 tons of mine waste was removed from the ephemeral channel and the surface soils were tested for acid/toxic parameters prior to construction of the drainageway. Those analyses were provided in Attachment E of the Phase I bond release application dated 4/27/2006. The drainageway is stable. Plant growth is vigorous.

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Permit Number: C0150017
Inspection Type: BOND RELEASE

Inspection Date: Wednesday, May 28, 2014

7. Coal Mine Waste, Refuse Piles, Impoundments

Approximately 85,000 tons of coal mine waste is buried against the cut of the Little Dove pad, the Deseret pad, the bathouse pad and in the drainage as shown in Appendix E of the Phase I bond release application dated 4/27/2006. The cover material was taken from the outslopes as shown on Plate 200-1 in App XV of the MRP. The fill is stable. There is no erosion. The vegetation is vigorous.

8. Noncoal Waste

Fencing has been removed from the site, except where the cattlemen have requested it remain.

9. Protection of Fish, Wildlife and Related Environmental Issues

Deer have been browsing the site.

10. Slides and Other Damage

No slides or other damage was noted.

12. Backfilling And Grading

The material used to back-fill the disturbed area was graded to a slope which is compatible with the approved post-mining land use and which provides adequate drainage and long-term stability. There were not highwall remnants that pose a hazard to the public health and safety or to the environment.

The very steep slopes below the bathhouse pad were not fill, but were original contour that was re-exposed with the excavation of 110,000 cubic yards of coal fines from the drainage channel. Cut and fill locations for Phase II reclamation are shown on Plates 200-2 of Appendix XV.

13. Revegetation

The site visit included the access road to the sediment pond as well as the reclaimed pond area and the main mine area. The reclamation of the sediment pond and access road was completed in 2006, three years after the main mine area. This reclamation activity did not restart the bond clock. The permittee had sampled the vegetation in the reclaimed and reference areas during 2012 and 2013 demonstrating that the vegetation in the reclaimed area either met or exceeded that of the reference area in terms of species composition percent cover and woody species density. This is also true for the main mine area that was also sampled at the same time. Both sites are stable, well vegetated, (seed mix species are evident on site) and showed little or no signs of erosion. The review of the application task 4580 will include a more in depth review of the vegetation data. The seed mix for Phases I and II were the same and the mix is found on pg. 6 of Section 300 in App. XIV and App XV. The seed mix for Phase III (sediment pond and haul road) differed slightly and is found in App. XVI, Section 300 p. 3.

Inspection Continuation Sheet

Permit Number: C0150017
Inspection Type: BOND RELEASE

Inspection Date: Wednesday, May 28, 2014

Page 7 of 7

21. Bonding and Insurance

PacifiCorp currently maintains a \$511,000 surety bond for the Des Bee Dove mine. A complete release of this surety is being requested for the release of the site as part of Phase III release. Based on meeting the requirements of reclamation, the release should be granted.

22. Other

Landownership: USFS & PacificCorps (Phase I & II at the mine site); SITLA (Phase III sediment pond an access road).

RECEIVEL



Forest Service Manti-La Sal **National Forest**

JUL 0 2 70 ii

Supervisor's Office 599 West Price River Drive Price, UT 84501 Phone # (435) 637-2817

DIV OF OIL GAS YMENT

Fax # (435) 637-4940

File Code: 2820

Date: June 30, 2014

Darron Haddock Coal Program Manager Utah Division of Oil, Gas and Mining 1594 West North Temple, Suite 1210 PO Box 145801 Salt Lake City, UT 84114-5801

Dear Mr. Haddock:

Manti-La Sal National Forest Minerals Specialist, Kyle Beagley, attended an inspection of the Des Bee Dove Mine reclamation site in response to PacifiCorp's application for Phase II and III bond release. The inspection held on May 28th, 2014 included representatives from the Forest Service, UDOGM, PacifiCorp and Emery County. The purpose of the inspection was to assess whether PaciCorp, through its wholly-owned subsidiary, Energy West Mining Company as mine operator, had met the criteria necessary for Phase II and III bond release.

Of the 40.9 total acres of reclaimed lands at the Des Bee Dove Mine site, approximately 17.3 acres exist within Forest System lands. Within the reclaimed areas on Forest System lands it was observed that hill sides were brought back to a re-contoured grade that blends well with the adjacent undisturbed slopes and surrounding terrain. Vegetation sampling performed by PacifiCorp during the fall of 2012 and 2013 shows that vegetation growth and establishment has exceeded the approved success standard provided in the reclamation plan; and no signs of soil instability nor erosion problems were observed. No other surface related issues that would preclude Phase II and III bond release were noted. Therefore, the Forest Service concurs with PacifiCorp's application and recommends Phase II and III bond release.

If you have any questions concerning this matter, please contact Kyle Beagley at (435) 636-3577.

Sincerely,

ALLEN ROWLEY Acting Forest Supervisor

cc: Steve Rigby





Inaming (0150017 #4580



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Green River District, Price Field Office 125 South 600 West Price, UT 84501 http://www.blm.gov/ut/st/en/fo/price.html



JUL 0 7 2014

In Reply Refer To: 3474 (UTG023)

Daron Haddock P.O. Box 145801 Salt Lake City, Utah 84114-5801

Dear Mr. Haddock:

Subject: Phase II and III Bond Release Inspection, PacifiCorp, Des Bee Dove Mine,

C/015/0017.

Energy West Company, a subsidiary of PacifiCorp, has completed Phase II and III of the approved reclamation plan for the remaining areas for the Des Bee Dove Mine, which includes the mine site, sedimentation pond and the Beehive remote portals. The Bureau of Land Management concurs with the reclamation and recommends Phase II and III bond release.

If you have any questions concerning this matter, please contact Sue Wiler at (435)636-3651.

Sincerely,

Ahmed Mohsen

Acting Field Manager

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